

My name is Bob Sheppard and I am the Associate Director of Clean Air-Cool Planet, a Portsmouth based non-profit working with Campuses, Communities and Corporations to achieve reductions of greenhouse gas emissions in the Northeast. We appreciate the opportunity to talk about the role of climatic change in the New Hampshire Energy Plan.

Our organization is concerned with the potential regional impacts of climate change. The New England Regional Assessment (NERA), which was carried out under the auspices of the US Global Change Research Program and coordinated by Dr. Barrett Rock of the University of New Hampshire, was published in September 2001. Four years in the making, the report reviewed some of the risks associated with continued global warming. The warming scenarios described in the report suggest a likely 6-10°F warming over the next century. In crude terms, such a change would result in Boston getting the climate of Richmond VA in the best case, and that of Atlanta, GA in the worst case. Either way, the climate of New England would be irreversibly transformed with far-reaching and negative, economic and environmental impacts.

We are concerned with the prospects of rising sea levels and the impact on beaches dunes and salt marshes.

We are concerned about the economic impact to the state of shorter winters with fewer days for skiing, skating, ice fishing or other winter activities.

We are concerned about the impact on Sugar Maples – which are highly vulnerable to climate change – their loss would be devastating to the sugaring industry, and would mean less vibrant colors in the fall and fewer leap-peeking tourists who stay in our hotels, eat in our restaurants and shop in our stores.

Finally with the region in the grips of a prolonged drought, we are concerned with the prospects that such extreme weather including extended heat waves, will become more frequent, leading to increased air pollution and risks to human health.

Presently Clean Air Cool Planet is working with three corporations with operations in New Hampshire that are taking a leadership role in addressing climate change, who offer an example for other businesses and perhaps the state.

Shaw's Supermarkets has initiated corporate wide energy efficiency campaign, installing new bulbs that use less energy and produce less demand on freezer cases. They have begun sub-metering equipment to provide advance warning of potential problems. The company was the first to win the EPA's Energy Star rating for a supermarket, and with the help of a CA-CP partner and systems benefit change money, is working to secure those ratings at several locations in Rhode Island. As a result of these efforts Shaw's has cut its energy bill by close to \$ 3-million. Let me put that in perspective for you. In the low margin grocery business the company would have to sell \$ 150 million in milk, toothpaste and soap to make that kind of profit.

Verizon Communications is in the process of developing a corporate-wide emissions inventory – the first step towards creating a reduction strategy. With a \$ 25 Million investment in energy efficiency the telecommunications giant realized \$20-million in savings in the first year, and last week confirmed with our office that the savings for 2001 topped \$ 40 Million. They have also recently announced plans to install seven fuel cells at a major switching center in NY, which will be the first of its kind in the industry. CA-CP is working with Verizon to explore options for addressing issues regarding its vehicle fleet and the possibility of joining New Hampshire's voluntary GHG registry.

Last, but certainly not the least is the Timberland Company. In the summer of 2001 the Stratham-based outdoor retailer conducted an audit of its headquarters, which resulted in a retrofit of inefficient light fixtures cutting costs while reducing demand on the grid. Next they issued an RFP for distributed generation equipment at their California warehouse. Earlier this year Timberland purchased carbon offsets... will "retire" more than 2,400 tons of carbon-enough to offset the carbon emissions of electricity use by 28 retail stores for a full year. That purchase was made through a Vermont-based partner of CA-CP, NativeEnergy, whose mission is to reduce GHG by driving construction of new commercial grade wind turbines. Just last week NativeEnergy signed a contract with the Rosebud Sioux tribe in South Dakota to install a new turbine on their reservation producing clean energy for years to come. We are also working with a New Hampshire based firm that has developed demonstration photo-voltaic units for public schools. Timberland has pledged its financial support to help educate youngsters about the power of the sun

As you can see good things are happening in the granite state. The recent passage of the 4-pollutant bill in Concord is a positive step forward. While we would have preferred tighter Carbon Dioxide caps the target is in keeping with Climate Action Plan adopted during the summer of 2001 by the New England Governors and Canadian Premiers.

By taking a fresh look at old problems you have a great opportunity to set into motion. Your plan needs to seek alternatives for space and water heating and fuel diversity for both residential and process heating. Clean Air Cool Planet would like to see development of a strong renewable portfolio standard avoiding some of the pitfalls of our neighbors. Your finished product should also address the impact of rising energy costs on a sector generally overlooked in the policy debate, small business, since it is responsible for thousands of jobs in New Hampshire. At the same time you should look to surrounding states and learn from their successes. For example;

New York in 2000 became the first to enact a law promoting environmentally friendly and energy efficient building practices through tax incentives

The Connecticut Clean Energy Fund is at the forefront of efforts to support the development of commercial fuel cell technologies

Efficiency Vermont is the nation's first public utility dedicated solely to achieving energy efficiency improvements

Clean Air Cool Planet believes that renewables like wind, solar, small hydro, biomass and geothermal can help to reduce the cost of electricity for residents and businesses alike, cutting our reliance on imported oil, bolstering our energy security, and eliminating dirty coal as well as the unfavorable economics, safety concerns and as yet unresolved disposal issues that continue to plague nuclear plants like Seabrook.

Thank you for the opportunity to testify before you today.